

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

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In re:

PROMESA
Title III

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

No. 17 BK 3283-LTS

THE COMMONWEALTH OF PUERTO RICO
et al.,

(Jointly Administered)

Debtors.¹
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ORDER REGARDING MOTION FOR RELIEF FROM THE AUTOMATIC STAY PURSUANT TO
PROMESA’S SECTIONS 4, 7, 301(C)(3), 304(H), DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATIVE ORDER ACYF-CB-PI-18-03, CHILD ABUSE PREVENTION AND TREATMENT
ACT (CAPTA), BANKRUPTCY CODE’S SECTIONS 362(B)(4), (D)(1) (DOCKET ENTRY NO. 9677)

Upon consideration of the *Motion to Inform Consent with the Commonwealth of
Puerto Rico the Modification of the Automatic Stay to Allow the Continuance of Litigation at the
Local Court Until Judgment, Request of Entry of Order and Request to Set Aside Hearing*
(Docket Entry No. 10423 in Case No. 17-3283), filed by Centro de Orientación y Ayuda
Psiquiátrica, Inc. (“Movant”), and the *Response of the Commonwealth to Motion for Relief from*

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

the Automatic Stay Filed by Centro de Orientación y Ayuda Psiquiátrica, Inc. (Docket Entry No. 10297), filed by the Commonwealth of Puerto Rico (the “Commonwealth”):

IT IS HEREBY ORDERED THAT:

1. The automatic stay set forth in Bankruptcy Code sections 362(a) and 922(a), as made applicable to this case by PROMESA section 301(a) (the “Title III Stay”), is hereby modified solely to the limited extent necessary to allow the prepetition case captioned Centro de Orientación y Ayuda Psiquiátrica, Inc. v. Estado Libre Asociado de Puerto Rico y otros, Case No. SJ2018CV02129 (the “Prepetition Action”), to proceed to final judgment before the Puerto Rico First Instance Court (the “Commonwealth Court”) to determine the amounts in dispute and whether such amounts are payable from federal or state funds; provided, however, the Title III Stay shall continue to apply in all other respects to the Prepetition Action, including, without limitation, the execution and enforcement of any judgment for money damages and provisional remedies against the Commonwealth or any other Title III debtor.

2. Nothing contained in this Order shall operate as modification of the Title III Stay so as to permit the prosecution against the Commonwealth or any of the other Title III debtors of any claim or claims by anyone other than Movant as provided for herein.

3. The respective rights, defenses, and protections of the Commonwealth and Movant with respect to any matters pending or that may arise in this case, including the treatment of any claim arising from the Prepetition Action under a plan of adjustment or otherwise.

4. Further requests to modify the Title III Stay must be made in accordance with the *Order Amending Case Management Procedures* (as amended from time to time, the “Case Management Order”), which revised the *Notice, Case Management and Administrative Procedures* to implement a protocol (the “Lift Stay Protocol”) (Docket Entry No. 8027-1).

Nothing contained in this Order shall preclude Movant from seeking further relief from the Title III Stay in accordance with the Lift Stay Protocol.

5. This Order shall not be deemed to be, or construed as, (a) an admission by any party of any liability, wrongdoing, act, or matter or that any claim or defense has or lacks merit; (b) a waiver of the Commonwealth's rights to dispute, contest, setoff, or recoup any claim, including any claims asserted by Movant in the Prepetition Action, or assert any related rights, claims, or defenses and all such rights are reserved; (c) a waiver of Movant's or the Commonwealth's rights to determine and/or contest the applicability of a discharge to any judgment that may be issued in the Prepetition Action pursuant to 11 U.S.C. § 944, as made applicable to these proceedings by virtue of PROMESA section 301(a); or (d) an approval or assumption of any agreement or contract between the Commonwealth and Movant under Bankruptcy Code section 365.

6. This Order shall not be deemed or construed as (a) creating or conferring any right upon any persons or entities (other than Movant as expressly provided in this Order), or (b) evidence of any willingness or obligation on the Commonwealth's part to consent to any other or future modifications of or relief from the Title III Stay with respect to any persons or entities.

7. The District Court shall retain jurisdiction to hear any matters or disputes arising from or relating to this Order.

8. This Order resolves Docket Entry Nos. 9677 and 11092 in Case No. 17-3283.

SO ORDERED.

Dated: February 21, 2020

/s/ Laura Taylor Swain
LAURA TAYLOR SWAIN
United States District Judge